

House Study Bill 670

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
TRANSPORTATION BILL BY
CHAIRPERSON HUSER)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act exempting certain persons from motor vehicle manufacturer
2 licensing requirements.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 6456HC 82
5 dea/nh/8

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1 1 Section 1. Section 322.27, Code 2007, is amended to read
1 2 as follows:
1 3 322.27 MANUFACTURER'S LICENSE.
1 4 1. A manufacturer, except an alien manufacturer
1 5 represented by an importer, shall not engage in business as a
1 6 manufacturer in this state or employ, appoint, or maintain
1 7 distributors or wholesalers or dealers, without a license as
1 8 provided in this chapter. However, new motor vehicle dealers
1 9 may wholesale motor vehicles without an additional license and
1 10 used motor vehicle dealers may wholesale used motor vehicles
1 11 without an additional license.
1 12 2. A person who installs passenger-carrying components,
1 13 cargo-carrying components, or work-performing components on a
1 14 new motor vehicle, or who installs readily attachable
1 15 equipment on a motor vehicle, to bring the motor vehicle into
1 16 compliance with federal motor vehicle safety standards
1 17 referred to in 49 C.F.R. } 568.1, is not required to be
1 18 licensed as a manufacturer. As used in the subsection, "motor
1 19 vehicle" means a motor vehicle as defined in section 321.1
1 20 which will be subject to registration when the manufacturer's
1 21 label required under section 321.30, subsection 2, is affixed
1 22 to the motor vehicle.

1 23 EXPLANATION

1 24 This bill provides that certain persons who install
1 25 passenger-carrying, cargo-carrying, or work-performing
1 26 components on a new motor vehicle, or who install readily
1 27 attachable equipment on a motor vehicle, to bring the motor
1 28 vehicle into compliance with federal motor vehicle safety
1 29 standards are not required to be licensed as motor vehicle
1 30 manufacturers. The bill defines "motor vehicle" to specify
1 31 that a motor vehicle referred to in the bill is a motor
1 32 vehicle which, once the manufacturer's certification label is
1 33 affixed, will be subject to registration under Code chapter
1 34 321.
1 35 LSB 6456HC 82
2 1 dea/nh/8